

# HOUSE BILL REPORT

## SSB 5318

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**As Reported by House Committee On:**  
Health Care

**Title:** An act relating to improving health care professional and health care facility patient safety practices.

**Brief Description:** Improving patient safety practices.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Keiser, Kline, Franklin, Poulsen, McAuliffe and Kohl-Welles).

**Brief History:**

**Committee Activity:**

Health Care: 2/16/06, 2/17/06 [DPA].

**Brief Summary of Substitute Bill  
(As Amended by House Committee)**

- Creates the Patient Safety Account to fund patient safety and medical error reduction programs through funds raised by: (1) a charge to health care providers and facilities; and (2) payment of 1 percent of plaintiff and defense attorneys' fees in actions for injuries resulting from health care.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended. Signed by 11 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Alexander, Appleton, Bailey, Clibborn, Green, Moeller, Schual-Berke and Skinner.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member and Condotta.

**Staff:** Chris Blake (786-7392).

**Background:**

In 1999, the Institute of Medicine (Institute) reported that between 44,000 and 98,000 people die in the United States every year due to medical errors. At the federal level, the Agency for Healthcare Research and Quality (AHRQ) funds research to reduce medical errors and increase patient safety. In 2001, Congress appropriated almost \$50 million to the AHRQ to fund 94 grants related to health care work conditions, the use of information technology,

medical errors data reporting, and other patient safety projects. In 2002 and 2003, the AHRQ received an additional \$55 million and \$60 million respectively for its patient safety initiatives.

In Washington, hospitals maintain quality improvement committees to improve the quality of health care services and prevent medical malpractice. Quality improvement proceedings review medical staff privileges and employee competency, collect information related to negative health care outcomes, and conduct safety improvement activities. Provider groups and medical facilities other than hospitals are encouraged to conduct similar activities.

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**Summary of Amended Bill:**

The "Patient Safety Account" (Account) is created. The Account is to be funded in two ways. First, the Secretary of Health must collect a \$2 surcharge on licenses for 15 health professions and \$2 per licensed bed is charged to acute care hospitals and psychiatric hospitals. Second, 1 percent of the fees collected by attorneys in medical malpractice cases where the plaintiff received money in a settlement or judgment must be provided to the Department of Health (Department) for transfer into the Account.

The Account is an appropriated account that is to be used for grants, loans, and other arrangements that support efforts to reduce medical errors and enhance patient safety. The Department must establish criteria for the types of programs to receive funds. The criteria must emphasize evidence-based practices recommended by governmental and private organizations including the AHRQ, the Institute, the Joint Commission on Accreditation of Health Care Organizations, and the National Quality Forum. At least two of the projects must implement recommendations of the Institute's report Keeping Patients Safe: Transforming the Work Environment of Nurses. Funding priority is given to projects that are proven to enhance patient safety and reduce medical errors as opposed to those that only have a substantial likelihood of doing so.

By December 1, 2009, the Department must report to the Legislature about the funds raised, criteria developed, and projects funded.

**Amended Bill Compared to Substitute Bill:**

The 1 percent set aside that applies to plaintiffs' attorney fees also applies to defense attorney fees. The alternate provision that plaintiffs' attorneys notify their clients of the existence of the Account in the event that the set aside is invalidated is removed.

All provisions limiting the admissibility of evidence to statements of apology or remedial actions in civil proceedings is removed.

The emergency clause is removed. The completion of the Department of Health report is delayed by one year.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed, except for section 4, relating to collection of a fee from health care providers and facilities, which takes effect January 1, 2007.

**Testimony For:** This bill reflects the public's concerns about what happens to patients in hospitals. Studies have shown that negative outcomes can happen. There has been increasing research that directly links the quantity and quality of nursing care with patient safety.

**Testimony Against:** None.

**Persons Testifying:** Senator Thibaudeau, prime sponsor; and Anne Tan Piazza, Washington State Nurses Association.

**Persons Signed In To Testify But Not Testifying:** None.